

The opinion in support of the decision being entered today was not written for publication and is not binding precedent of the Board.

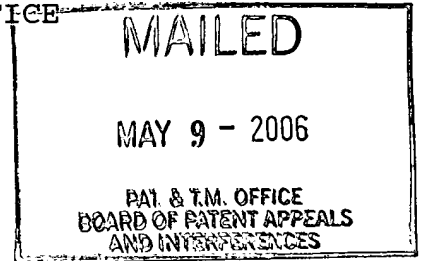
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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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Ex parte WINNIE C. DURBIN,  
KARAMJEET SINGH,  
and KUN ZHANG

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Appeal No. 2006-0490  
Application 09/681,017<sup>1</sup>

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ON BRIEF

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Before HAIRSTON, BARRETT, and MacDONALD, Administrative Patent Judges.

BARRETT, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134(a) from the non-final rejection of claims 1-26.

We affirm-in-part.

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<sup>1</sup> Application for patent filed November 22, 2000, entitled "Method and System to Remotely Enable Software-Based Options for a Trial Period."

BACKGROUND

The invention relates to a system and method to remotely enable software based options for a trial period in remote equipment.

Claim 1 is reproduced below.

1. A method to remotely enable software-enabled options comprising the steps of:

receiving a user I.D. at a centralized facility from a user;

receiving an option-enabling request from the user specifying an option requested to be enabled in equipment at a subscribing station;

at the centralized facility, confirming that the option has not already been enabled;

sending an enabling feature from the centralized facility to the equipment in the subscribing station; and

activating the option in the equipment.

THE REFERENCES

The examiner relies on the following references:

Elteto et al. (Elteto)	5,737,424	April 7, 1998
Earnest	4,888,798	December 19, 1989
Oki et al. (Oki)	6,115,471	September 5, 2000
Neville et al. (Neville)	6,272,636	August 7, 2001
		(filed April 11, 1997)
Linden et al. (Linden)	6,360,254	March 19, 2002
		(filed March 30, 1999)

THE REJECTIONS

We refer to the non-final rejection entered June 15, 2004, (pages referred to as "R\_\_") and the examiner's answer (pages referred to as "EA\_\_") for a statement of the examiner's rejection, and to the brief filed April 7, 2004, (pages referred to as "Br\_\_"), the supplemental appeal brief filed September 15, 2004, (pages referred to as "SBr\_\_"), which partially incorporates by reference the previous brief, and the reply brief (pages referred to as "RBr\_\_") for a statement of appellants' arguments thereagainst.

Claims 18-26 stand rejected under 35 U.S.C. § 101 as being directed to nonstatutory subject matter.

Claims 11-14, 16, and 17 stand rejected under 35 U.S.C. § 112, second paragraph, as indefinite.

Claims 1-3, 6, 7, 23, 24, and 26 stand rejected under 35 U.S.C. § 102(e) as being anticipated by Neville.

Claims 4, 5, and 25 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Neville.<sup>2</sup>

Claims 8 and 9 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Neville and Linden.

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<sup>2</sup> Although dependent claim 15 is included in this group in the statement of the rejection, claim 15 depends on independent claim 10, which has been rejected over the combination of Neville and Elteto. Thus, the statement of the rejection is improper. Claim 15 will be included in the rejection of claims 10-14 and 16-18 over Neville and Elteto.

Claims 10-18 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Neville and Elteto.<sup>3</sup>

Claim 19 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Neville, Elteto, Oki, and Earnest.<sup>4</sup>

Claims 20-22 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Neville and Elteto, as applied to the rejection of claim 18, further in view of Oki.

#### OPINION

##### Grouping of claims

The examiner states (EA2): "The appellant's statement in the brief that certain claims do not stand or fall together is not agreed with because Appellant argues separately claims 1, 8, 9, 10, 11, 18 and 23." This statement is confusing because if appellants separately argued certain claims, then the examiner must agree that those claims do not stand or fall together. The claims argued separately will be addressed separately.

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<sup>3</sup> Claims 10-14 and 16-18 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Neville and Elteto. Claim 15 has been added to this rejection as noted in footnote 2.

<sup>4</sup> The rejection states that claim 19 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Neville and Oki, as applied to the rejection of claim 18, and further in view of Earnest (R9; EA8). However, claim 18 has been rejected over Neville and Elteto, not Neville and Oki. We assume the rejection is over Neville, Elteto, Oki, and Earnest.

Statutory subject matter

The examiner states (R3):

Claim 18 is non-statutory as it recites non-functional data. Specifically, the claim is non-statutory because it is directed to a computer program not stored on a computer readable medium. Similarly, claim 23 is non-statutory because a carrier wave is not a computer readable medium as it is not persistent storage.

Appellants argue that "claim 18 does not call for a computer program in the abstract but a computer program that is specifically configured to cause a computer to execute a plurality of specific steps" (SBr4). It is argued that MPEP § 2106 states that to be statutory, a computer-related process must either result in a physical transformation outside of the computer, or be limited to a practical application within the technological arts, and that claim 18 is a statutory process claim (SBr4-5). It is argued that MPEP § 2106(IV)(B)(1)(c) states that a "signal claim directed to a practical application of electromagnetic energy is statutory regardless of its transitory nature" and the fact that the carrier wave is not a persistent medium is irrelevant to patentability under § 101 because the signal produces a practical application that "causes the at least one processor to enable an option in a device" (SBr5).

The examiner cites MPEP § 2106(IV)(B)(1)(a) (EA10):

Since a computer program is merely a set of instructions capable of being executed by a computer, the computer program itself is not a process and Office

personnel should treat a claim for a computer program, without the computer-readable medium needed to realize the computer program's functionality, as nonstatutory functional descriptive material.

Appellants reply that the paragraph preceding the one cited by the examiner states that when a computer program is being claimed as part of an otherwise statutory manufacture or machine, "the claim remains statutory irrespective of the fact that a computer program is included in the claim' or 'when a computer program is used in a computerized process *where the computer executes the instructions set forth in the computer program*'" (RBr4) and claim 18 meets this criteria. Appellants argue that the examiner did not rebut the arguments regarding claim 23 and, therefore, claims 23-26 are in compliance with § 101 (RBr4-5).

We agree with the examiner that claims 18-26 are directed to nonstatutory subject matter. Properly interpreted, claim 18 is directed to a "computer program which, when executed by a computer, causes the computer to" perform certain method steps; i.e., claim 18 is directed to a "computer program" capable of certain functions, not a process. A "computer program" does not fall within any of the four categories of § 101 for a "process, machine, manufacture, or composition of matter." "It has never been otherwise than perfectly clear to those desiring patent protection on inventions which are new and useful programs for general purpose computers (software) that the only way it could be obtained would be to describe and claim (35 U.S.C. § 112) the

invention as a 'process' or a 'machine.'" In re Chatfield, 545 F.2d 152, 159, 191 USPQ 730, 737 (CCPA 1976) (Rich, J., dissenting). It is now also the case that a computer program claimed as stored in a tangible medium is statutory subject matter, because it becomes a "manufacture" under § 101. See In re Lowry, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994) (memory containing a stored data structure was statutory subject matter, which has been interpreted to mean that programs stored on a physical medium are statutory subject matter as a "manufacture"). Claim 18 is directed to a computer program, not a computer program as part of a computer process, machine, or manufacture. The rejection of claims 18-22 is affirmed.

Claim 23 is directed to a "computer data signal embodied in a carrier wave and representing a set of instructions which, when executed by at least one processor, causes the at least one processor to enable an option in a device by" certain method steps. Properly interpreted, claim 23 is directed to a "computer data signal embodied in a carrier wave" and the steps are just statements of capability. "Signals" not embodied in a tangible medium do not fall within any of the four classes of § 101. See analysis in U.S. Patent and Trademark Office's Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility (Guidelines), 1300 Off. Gaz. Patent and Trademark Office 142, 152 (Nov. 22, 2005). See also prosecution history of

Koo, U.S. Patent 5,568,202, issued October 22, 1996, in which a rejection of claims to a signal per se under § 101 was affirmed by the Board using the reasoning adopted in the Guidelines. In Koo, after a premature appeal to the Federal Circuit, the claims were allowed after the claim was amended to recite "wherein said reference signal is embodied in a processor readable memory" following the decision in Lowry. In addition, we do not understand the "carrier wave" limitation. A carrier wave is a wave having at least one characteristic that may be varied from a known reference value by modulation, e.g., an amplitude modulated radio carrier wave, but, to the best of our knowledge, most computer signals do not modulate carrier waves. In any case, claim 23 is directed to a signal not embodied in any computer process, machine, or manufacture. The rejection of claims 23-26 is affirmed.

#### Definiteness

The examiner considers claim 11 indefinite because it recites conditional language without providing any instructions for proceeding if one of the conditions fails, whereas, by comparison, claim 18 recites what would "otherwise" happen if the request is not rejected (R4-5). The examiner states that claims 11-14, 16, and 17 have been examined as if the user ID had not been validated and, hence, that the conditions of claims 12-14, 16, and 17 do not occur (R5).

Appellants argue that they are not required to claim each and every possible contingency (SBr8). It is argued that the examiner must consider the limitations expressly called for in the claim (SRBr8). It is argued that one of ordinary skill in the art would not need information regarding the "otherwise" because appellants are not seeking patent coverage of any "otherwise" in claim 11 (SBr8). It is argued that just because the "otherwise" is not claimed, does not give the examiner a license to construe the claim as if the user ID had not been validated and to neglect the examination of claims (SBr8).

The examiner responds that "one of ordinary skill is not provided with sufficient data to make and/or use the invention as Appellant's claims and Specification lack guidance regarding how the system is to perform if for example, the User ID is not validated" (EA10-11).

Appellants reiterate their previous arguments (RBr5).

We agree with appellants that claim 11 is not indefinite. Claim 11 clearly specifies what happens when certain events occur and the claim does not need to specify what happens "otherwise." Claim breadth should not be confused with indefiniteness. See In re Miller, 441 F.2d 689, 693, 169 USPQ 597, 600 (CCPA 1971). Claims, intentionally or unintentionally, do not have to describe every contingency. For example, claim 1 recites "at the centralized facility, confirming that the option has not already

been enabled; sending an enabling feature from the centralized facility to the equipment in the subscribing station." The "sending" step is not recited as dependent on the result of the "confirming step" although this is what is disclosed. The steps of claim 11 must be addressed and it is improper claim interpretation to assume that certain steps do not occur. The examiner's statement about "make and/or use the invention" sounds like enablement rather than indefiniteness. We conclude that the indefiniteness rejection is not supported. The rejection of claims 11-14, 16, and 17 is reversed.

#### Anticipation

##### Claims 1-3, 6, and 7

Appellants argue (Br6) that Neville does not teach the limitation of "receiving a user I.D. at a centralized facility from a user" (emphasis added) because it teaches that "[t]he client application ... provides a request/user ID 808 to the server/clearinghouse 804" (emphasis added) (col. 13, lines 18-20), i.e., the execution control is implemented by the computing device. The examiner states that performing actions by a client computer is in line with appellants' teachings of the user sending a user ID over a computer network (EA11).

While the examiner's response does not clearly answer appellants' argument about receiving an ID from a user versus from a client application, we find that Neville does teach the

limitation of "receiving a user I.D. at a centralized facility from a user." Neville states (col. 13, lines 18-35):

The client application executing on the end-user 806 computing device provides a request/user ID 808 to the server/clearinghouse. The client application identifies a user to the server/clearinghouse 804 and the server/clearinghouse tracks requests by this user to execute this digital product 200'. The server/clearinghouse 804 determines whether the user is authorized to execute the application and, if allowed, the server transmits the unlock key 803 to the end-user 806 computing device executing the client application.... If the user is not allowed use of this application, i.e., the server/clearinghouse 804 determines that an evaluation period has expired, the server does not transmit the unlock key 803 to the end-user 806 computing device but sends an "end of evaluation" message. [Emphasis added.]

We interpret this to mean that the user enters a user ID which the client application communicates to the server/clearinghouse. The user must have provided the user ID because the quotation discusses identification of a "user" and requests by the "user" and whether the "user" is allowed use of the application, not identification of the client application.

Appellants argue (Br7) that Neville does not teach the limitation of "confirming that the option has not already been enabled" because if the execution controlled digital product were already activated, it would not request activation, and it is unnecessary for Neville to confirm "that the option has not already been enabled." The examiner states that the server/clearinghouse initially receives a request from the user and "[t]his is the first indication that the user is not using

the software, otherwise, the user would not have a reason, in light of the teachings of Neville et al., to request an unlock key" (EA12). Appellants reply that the examiner's assertions are not consistent with Neville because if the execution controlled digital product were already activated it would not request activation and that it makes no sense to check for non-use (RBr6): "Why would a system that is focused on protecting against unauthorized use of a digital product be concerned with any indication that the user is not using the software?"

The limitation about "confirming that the option has not already been enabled" is intended to refer to confirming that the user has not already tried that option on that particular piece of equipment (spec. at 11, lines 3-4). The examiner interprets the limitation to mean confirming that it is not presently enabled, i.e., the user is not using the equipment. It would be helpful to appellants and to us when the examiner makes a claim interpretation that is different from what is disclosed, for the examiner to expressly note this so that everyone knows that the examiner's rejection is based on a specific claim interpretation. The examiner's reasoning that a user would not request an unlock key if the user was using the software does not account for the situation where a user sends a request to unlock the software after he or she had already used the software for the trial period and does not show where Neville confirms that computer

product is not being used by the user. There is no reason to address the examiner's interpretation. Leaving aside for now the term "option," we disagree with appellants' arguments that Neville does not suggest the limitation of confirming "that the option has not already been enabled." Neville discloses that "the server/clearinghouse 804 determines that an evaluation period has expired" (col. 13, lines 32-33) before determining whether to send the unlock key, which corresponds to determining that the computer product has not already been enabled; i.e., if the evaluation period has expired, the computer product must already have been enabled. Appellants' argument that the digital product would not request activation if it were already activated does not address the situation where a user tries to activate the computer product after the evaluation period has expired.

Appellants argue (Br6-7) that Neville does not teach the limitation of "receiving an option-enabling request from the user specifying an option requested to be enabled in equipment at a subscribing station" (emphasis added) because Neville teaches only a request for execution of the digital product, not options. The examiner states that the option to be enabled is the software (EA11).

The examiner's response does not answer the argument. An "option" is defined as "an item that is offered in addition to or in place of standard equipment," Webster's New Collegiate

Dictionary (G.&C. Merriam Co. 1977). We do not see how enabling of the digital product (the standard equipment) can be reasonably be interpreted to be enabling of an "option." All words in a claim must be considered, and here the rejection does not explain how the digital product itself can be reasonably interpreted as an "option." Because Neville does not disclose enabling an "option," the rejection of claims 1-3, 6, and 7 is reversed.

Claims 10-17

Appellants argue independent claim 10 and dependent claims 11-17 in the anticipation section (Br7-8). While claims 10-12 and 14 were rejected under § 102(e) over Neville in the final rejection of November 13, 2003, this rejection was not incorporated into the rejection of June 15, 2004, which is now under appeal. Accordingly, these arguments are not considered.

Claims 23, 24, and 26

Appellants argue that although the examiner rejected claim 23 under the same assertions applied to claim 1, claim 23 includes unique elements that must be independently addressed (Br9). Specifically, it is argued that Neville does not teach "receiving an option-enabling request specifying an option requested to be enabled in the device at a subscribing station" because the only request is for execution of the specific product (Br9). It is also argued that Neville does not teach "confirming

that the option has not already been enabled" because it is unnecessary for the system of Neville (Br9).

The only difference between the "receiving" limitation in claims 1 and 23 is the use of the word "device" in claim 23 as opposed to "equipment" in claim 1, and there is no difference in the "confirming" limitation. Thus, we do not see why appellants argue that claim 23 has unique elements. It is noted that claim 23 does not require receiving a user I.D. "from a user" as recited in claim 1. As discussed in connection with claim 1, we find that Neville does not disclose the "option" limitation. The rejection of claims 23, 24, and 26 is reversed.

#### Obviousness

##### Claims 4 and 5

The examiner concludes that the subject matter of claims 4 and 5 would have been obvious over Neville. The obviousness rejection does not cure the deficiencies of Neville with respect to the "option" limitations of claim 1. The rejection of claims 4 and 5 is reversed.

##### Claims 8 and 9

The examiner applies Linden in combination with Neville for the rejection of claims 8 and 9. Linden is applied to teach sending an enabling feature by e-mail at column 11, lines 28-39 (R7). Linden is not applied to cure the deficiencies of Neville

with respect to the "option" limitations of claim 1. Therefore, the rejection of claims 8 and 9 is reversed.

Claims 10-18

The examiner finds that Neville teaches the claimed invention including "creating an option key in response [to a user request]" (R8), but then states that Neville does not describe generating an option key (R9). As noted by appellants (SBr10), these findings are inconsistent and the examiner is apparently of the opinion that Neville does not teach creating an option key. The examiner finds that Elteto teaches a method and system for securely distributing software comprising generating an option key in response to a user request (R9). The examiner concludes that it would have been obvious "to combine the teachings of Neville et al. and Elteto et al. in order to prevent the uncontrolled distribution of software" (R9).

Appellants argue that Neville teaches that the server stores a symmetric unlock key used previously by the builder to encrypt selected portions of the metered application and, thus, Neville does not create an option key (SBr11). It is argued that it would not be possible for Neville to use created keys (SBr11).

The examiner responds that stored or reused keys increase the likelihood that the key can be compromised, but this threat can be decreased by generating a key "on the fly" or using "one-time pads" and, therefore, it would have been obvious to combine

Elteto and Neville to make the system more secure by creating keys in response to a user request (EA13-14).

Appellants reply that the examiner's conclusion is unsupported by the art of record, referring to pages 7-8 of the Supplemental Appeal Brief (RBr7). We do not find any such argument on those pages and, indeed, it appears that the examiner did not make the arguments about dynamic key creation until the answer, which was after the supplemental appeal brief. It is argued that Neville does not create an option key and the "unlock key" is created well before any request from the user (RBr7).

We agree with appellants that Neville does not teach "creating an option key in response [to a user request]" (claim 10) or "generate an option key [in response to a user request]" (claim 18) and the examiner appears to also make this finding despite inconsistent statements in the rejection. Neville must use unlock keys that were previously used to encrypt selected portions of the metered application. The examiner has not shown how it would be possible to modify Neville to perform the disclosed functions using keys created by the server. Thus, we find no motivation to combine Neville and Elteto in the manner suggested by the examiner. It is noted that Neville stores unlock keys on the server for security purposes (col. 10, lines 11-14), so there may be no motivation to change this security. Although not argued by appellants, Neville does not

teach requests for "options," as discussed in connection with claim 1. The rejection of claims 10-18 is reversed.

Claim 19

The examiner adds Oki and Earnest to the combination of Neville and Elteto for the rejection of claim 19. Neither Oki nor Earnest are applied to cure the deficiencies of Neville and Elteto with respect to the limitations of "generate an option key [in response to a user request]" and "options" in independent claim 18. Thus, the rejection of claim 19 is reversed.

Claims 20-22

The examiner adds Oki to the combination of Neville and Elteto for the rejection of claims 20-22. Oki is not applied to cure the deficiencies of Neville and Elteto with respect to the limitations of "generate an option key [in response to a user request]" and "options" in independent claim 18. Thus, the rejection of claims 20-22 is reversed.

Claim 25

The examiner concludes that the subject matter of claim 25 would have been obvious over Neville. The obviousness rejection does not cure the deficiencies of Neville with respect to the "option" limitations of claim 23. The rejection of claim 25 is reversed.

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Relevant prior art

Leovac, U.S. Patent 6,668,375, issued December 23, 2003, and filed December 15, 1999, is cited as relevant to the claimed invention. Leovac teaches "[a] system and corresponding method for unlocking options in already installed software" (abstract). Leovac also teaches creating a key to unlock the requested options (col. 3, lines 35-52) and, thus, teaches "creating an option key in response [to an option request]," as recited in claim 10, and "generate an option key," as recited in claim 18.



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